

"3963. Highest grade held satisfactorily: Reserve enlisted members reduced in grade not as a result of the member's misconduct."

(h) NAVY AND MARINE CORPS.—(1) Chapter 571 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 6336. Highest grade held satisfactorily: Reserve enlisted members reduced in grade not as a result of the member's misconduct

"(a) A member of the Naval Reserve or Marine Corps Reserve described in subsection (b) who is transferred to the Fleet Reserve or the Fleet Marine Corps Reserve under section 6330 of this title shall be transferred in the highest enlisted grade in which the member served on active duty satisfactorily, as determined by the Secretary of the Navy.

"(b) This section applies to a Reserve enlisted member who—
Applicability.

"(1) at the time of transfer to the Fleet Reserve or Fleet

Marine Corps Reserve is serving on active duty in a grade lower than the highest enlisted grade held by the member while on active duty; and

"(2) was previously administratively reduced in grade not as a result of the member's own misconduct, as determined by the Secretary of the Navy.

"(c) This section applies with respect to enlisted members of Applicability. the Naval Reserve and Marine Corps Reserve who are transferred to the Fleet Reserve or the Fleet Marine Corps Reserve after September 30, 1996."

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"6336. Highest grade held satisfactorily: Reserve enlisted members reduced in grade not as a result of the member's misconduct."

(c) AIR FORCE.—(1) Chapter 869 of title 10, United States Code is amended by inserting after section 8962 the following new section:

"§ 8963. Highest grade held satisfactorily: Reserve enlisted members reduced in grade not as a result of the member's misconduct

"(a) A Reserve enlisted member of the Air Force described

in subsection (b) who is retired under section 8914 of this title shall be retired in the highest enlisted grade in which the member served on active duty satisfactorily (or, in the case of a member of the National Guard, in which the member served on full-time National Guard duty satisfactorily), as determined by the Secretary of the Air Force.

"(b) This section applies to a Reserve enlisted member who— Applicability.

"(1) at the time of retirement is serving on active duty (or, in the case of a member of the National Guard, on full-time National Guard duty) in a grade lower than the highest enlisted grade held by the member while on active duty (or full-time National Guard duty); and

"(2) was previously administratively reduced in grade not as a result of the member's own misconduct, as determined by the Secretary of the Air Force.

"(c) This section applies with respect to Reserve enlisted members who are retired under section 8914 of this title after September 30, 1996."